Before The
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Petition of the Verizon Telephone Companies	)	WC Docket 06-172
	)	
For Forbearance Pursuant to 47 U.S.C. § 160(c)	)	

OPPOSITION OF IONARY CONSULTING

Ionary Consulting ("Ionary") hereby submits its opposition to the Verizon Telephone Companies' ("Verizon") Petition for Forbearance seeking "substantially the same regulatory relief" in the Boston MSA that the Commission granted Qwest in the Omaha, Nebraska MSA. Ionary is a small consulting practice that works with competitive telecommunications providers, some in the impacted areas.

While we are in substantial agreement with the comments offered by a number of other parties, such as NASUCA and Comptel, we wish to add our specific experiences to the record, and point out specific fallacies in Verizon's Petition. Verizon seems to believe that competition is not "impaired" if there is at least one competitor somewhere in the marketplace. Shutting down many competitors is not seen to "impair" competition. This is of course a fallacy. Competitors are not uniform in their offerings or coverage. The existence of a competitor that provides adequate service to one subscriber does not mean that another subscriber will find an adequately competitive market.

A number of Ionary's clients have invested substantially in equipment to make use of unbundled loops. This investment includes the price of the hardware itself, such as the DSLAM and the Digital Loop Carrier (DLC) system that may be mounted in a collocation rack. It also includes the substantial nonrecurring charges that Verizon charges in order to put in a collocation, and the CLEC's own costs of installing the equipment, procuring customers, and managing its accounts. To discontinue their ability to use this investment, on grounds that there is "adequate" competition from other sources, reeks of confiscation. It flagrantly violates the letter of Section 271, as well as the letter and spirit of Section 251.

Our own experience shows how little competition really exists. When Ionary moved its two-man office to new quarters in 2005, we needed to procure telephone and Internet service. Our office is in a commercial building in Newton, Massachusetts, about one city block from Verizon's wire center. That is not one of Verizon's more remote facilities; it is a large office (more than 50,000 local lines) that also houses the regional tandem switch, and which serves almost all of a prosperous city of roughly 85,000 people adjacent to the City of Boston.

Naturally we sought competitive alternatives, and did not seek resale of Verizon's switching and network facilities (e.g., UNE-Platform or "Wholesale

Advantage", or Total Service Resale). With less than a kilofoot of loop between us and the central office, we expected to find a UNE-Loop provider with a DSL and POTS alternative. We found precisely zero CLECs offering DSL plus a one line or two line business service over unbundled loops. Covad still had business-class DSL, but not POTS. Comcast, the dominant cable provider, did not offer business voice service at all. There were (and still are) precisely zero wireless local loop providers. We ended up using the *sole* not-functionally-inferior alternative to Verizon, a cable overbuilder that had recently emerged from bankruptcy.

Wireless and parasitic ("over-the-top", in Verizon's parlance) VoIP are not credible alternatives. Neither offers the same (lossless uncompressed PCM) voice quality that TDM POTS and PacketCable offer. Wireless (CMRS) does not support external hardware such as speakerphones, answering machines, and fax. It also does not offer unlimited usage; it even charges airtime for incoming calls. This makes it unsuitable for business usage, where even Verizon's grossly overpriced 1MB service would be less expensive. Essentially no offices have "cut the cord"; that metaphor is more relevant to students and others who are not using the telephone for business purposes at a fixed locations.

The voice quality of "over the top" VoIP operators Verizon cites is inferior to POTS. This is beyond their control, but inevitable given their business model. They are not directly on every DSL or cable company's network, and do not receive the prioritized lower-layer bandwidth that PacketCable would offer. Thus they lose packets and have unreliable signal quality. They are also unsuitable for fax modem use.

Of course Verizon, with its POTS network, would love to portray these technically-inferior alternatives as adequate competition. But that is fallacious. The number of CLECs offering facilities-based voice and data services has declined substantially since the Triennial Review Order put new barriers in the way of competition. But the TRO did leave access to unbundled home-run loops and DS1 EELs, providing at least some CLECs with a narrow market opening. Verizon now seeks to shut that down. This would leave a duopoly choice for many residential users, and a monopoly for business lines, because the cable companies do not have widespread penetration of business locations. Ionary was fortunate that the overbuilder, during its long-ended period of rapid expansion, chose to offer business service in its own building.

We also note the impact that this Petition would have in inflaming the "network neutrality" debate. The real issue is not the behavior of ISPs in a fully competitive market. ISPs, as information providers, are not common carriers, and need not behave as such. But *how* they behave is subject to market forces. When DSL was available as common carriage, there were many ISPs to choose from, including Verizon's own, and their behavior was limited by the marketplace. With DSL no longer available on a common carrier basis from Verizon, ISPs have little option except to seek out the remaining UNE-Loop CLECs, who can offer competitive DSL carriage. That is a limited opening, to be sure, but Verizon seeks to slam it shut. This seems to be squarely aimed at preventing the market from providing the type of service that neutrality advocates seek. Absent independent ISPs, Verizon would be more likely to install Deep Packet Inspection, selectively block access to web sites and new Internet applications, operate "man in the middle" attacks upon Internet commerce in order to seek a share of transaction value, and do other unconscionable acts that ILEC executives have already called for. Granting Verizon's petition would put the Commission squarely on record as favoring these abuses. For these and other reasons we call for the Petition to be denied in its entirety.

Respectfully submitted,

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